



# INTERNATIONAL EGG AND POULTRY REVIEW

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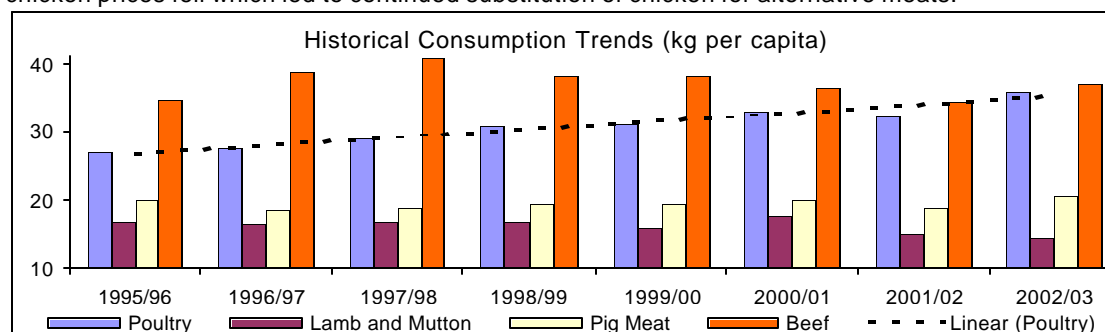
Agricultural Marketing Service

Poultry Programs

Market News Branch

## Australia

The poultry industry is Australia's second largest meat industry, by volume, behind beef. By value, it is the third largest meat industry in Australia behind cattle and sheep meat. Exports account for only three percent of domestic poultry production and stringent quarantine regulation largely prohibit imports of fresh chicken meat. Historical Australian Bureau of Agricultural and Resource Economics (ABARE) figures indicate domestic poultry consumption has increased steadily over the last decade. Between 1980-1996 lamb, beef and pork retail prices increased by around ninety percent while chicken meat prices increased by forty percent during the same period. During the mid to late 1990s real chicken prices fell which led to continued substitution of chicken for alternative meats.



Recent severe drought conditions constrained total poultry production in 2002/03 to 726,000 metric tons (MT) due to significant shortages of feed grain. Total poultry production was below initial estimates for 2002/2003 even though the industry benefited from processed feed grain imports. Grain imports are allowed, but only under strict conditions. The feed grain shortages and high feed costs did cause a partial liquidation of the layer hen flock in 2003/04. The reduced layer hen flock resulted in tight egg supplies and sharply higher prices.

Broiler Meat production for 2003/04 was revised downward to 650,000 MT from initial estimates of 682,000 MT. However, improved grain supplies, combined with a strong domestic demand, are expected to increase poultry meat production five percent to 682,000 MT, a record level, for 2004/05. Poultry meat consumption is expected to increase 37.7 kg person by 2008/09 from 35.5 kg per person in 2003/04. Broiler meat production is estimated to account for 89 percent of total poultry meat production.

Imports of cooked chicken meat are allowed under very strict conditions. Australia has been working on an Import Risk Analysis for uncooked chicken meat since 1997. The release of the analysis is expected sometime in the near future. A slight easing of the value of the Australian dollar along with higher poultry production is expected to increase poultry meat exports slightly to 21,000 MT for 2004-05, up from the revised exports of 20,000 MT for 2003/04. South Africa is Australia's largest export market followed by Hong Kong, Sri Lanka and the Philippines. Poultry exports may also benefit from continued bans on U.S. beef by Japan and continued avian flu outbreaks in Asia.

## Australian Imports, Exports, & Production of Eggs & Poultry Meat

Year	Eggs (METRIC TONS)			Poultry Meat		
	Imports	Exports	Production	Imports	Exports	Production
1998	30	654	148,000	450	20,439	631,431
1999	32	564	149,000	528	21,506	607,164
2000	63	129	143,000	364	20,416	643,238
2001	64	96	141,000	890	25,949	654,306
2002	69	96	140,000	1,311	24,227	702,371

Source: FAO

## Eggs

The egg industry in Australia has its own set of unique problems and benefits. Besides a partial liquidation to the recent drought, Australia's egg industry is facing mandated refits because of new cage requirements by January 1, 2008 as a result of an agreement made between the government and the industry in 1995. Per capita egg consumption has slipped from 300 a year just after World War II to 150 presently. In an effort to counteract the decline in consumption, Australian Egg Corporation has launched a A\$3million promotional campaign.

Australia has benefited from the continued avian influenza problem in Asia because it has increased attention on pasteurized liquid eggs from Australia and the U.S. The high temperatures of pasteurized liquid eggs kills bacteria and it has a long shelf life. Due to avian influenza problems in Asia, countries like Singapore have imported shell eggs from Australia to help replace product that was previously imported from Malaysia but now has been banned because of avian influenza. Australian eggs have been sold in Singapore from \$4.60 per dozen to \$5.20 for 10 eggs. However, Singapore has been working with Malaysia to establish disease free zones.

Source: USDA/Foreign Agricultural Service and various other news sources

**Inspected Egg Products-U.S. & Canada Export/Import Trade****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending September 18, 2004		Year-To-Date		
TYPE	2004	2003 1/	2004 2/	2003
Liquid	508	359	11,762	11,952
Frozen	0	0	11	96
Dried	0	0	492	388
Total	508	359	12,265	12,436

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending September 18, 2004		Year-To-Date		
TYPE	2004	2003 1/	2004 2/	2003
Liquid	100	76	6,701	4,170
Frozen	3	188	1,325	2,564
Dried	0	0	1,813	903
Total	103	264	9,839	7,637

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending September 18, 2004		Year-To-Date		
TYPE	2004	2003 1/	2004 2/	2003
Jumbo	60	32	378	322
Extra Large	5,250	1,140	136,176	20,507
Large	8,545	4,540	282,301	80,966
Medium	4,350	1,560	95,700	45,087
Ungraded	11,046	13,740	226,770	115,800
Misc	0	800	16,790	13,442
Total	29,251	21,812	758,115	276,124

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week (s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA/AMS Poultry Programs, Market News Branch.

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 18-Sep-04

(PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
Head	1,443	1,561	3,004
Last Week	1,231	1,346	2,577
Same week yr ago	1,153	1,418	2,571
To-date/2004	50,365	49,601	99,966
To-date/2003	55,248	51,920	107,168

**U.S. FOWL SLAUGHTERED IN CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
Head	333	0	333
Last Week	153	0	153
Same week yr ago	288	8	296
To-date/2004	8,790	91	8,881
To-date/2003	8,808	133	8,941

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
Head	1,776	1,561	3,337
Last Week	1,384	1,346	2,730
Same week yr ago	1,441	1,426	2,867
To-date/2004	59,155	49,692	108,847
To-date/2003	64,056	52,053	116,109

Source: USDA/AMS Poultry Programs, Market News Branch

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

		September 24, 2004		
		PRICES	VOLUME	
		(Cents per Pound)		

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

		PRICES	VOLUME	
		(Cents per Pound)		

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	15.00-19.00	61,200	-
WTD AVERAGE		16.33		
15-20%				
RANGE	-	11.50-18.00	1,468,800	244,800
WTD AVERAGE		13.47		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

		September 24, 2004		
		PRICES	VOLUME	
		(Cents per Pound)		

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

		PRICES	VOLUME	
		(Cents per Pound)		

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.25-18.50	20.00-22.00	1,020,000	580,000
WTD AVERAGE	17.29	21.27		
15-20%				
RANGE	17.00-21.00	17.00-19.00	1,996,000	1,196,000
WTD AVERAGE	18.43	18.23		
20% OR MORE				
RANGE	-	17.50	320,000	-
WTD AVERAGE		17.50		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 24 SEPTEMBER 2004.**

The trade sentiment on tom breast meat was steady to fully steady with some unsettledness noted. The destrapped tenderloin market ranged from steady with spot weakness noted on fresh to steady to fully steady on frozen. Demand mixed, mostly moderate on tom breast meat and destrapped tenderloin for the uneven offerings. Thigh meat and tom drum demand was fair to good on fresh for domestic and export shipments, frozen slow to moderate with some noting less aggressive export buyer interest. Offerings of fresh thigh meat and tom drums light, frozen thigh meat light to instances fully adequate and frozen tom drums light to adequate. Trading moderate on tom breast meat for domestic shipments and on mechanically separated turkey for export shipments, balance light for current deliveries. A heavy volume of open priced fresh thigh meat was noted for October shipments. For domestic: livers 21, breeder tom drums 22, and Grade A non-basted 10-12 lb. breasts 130 cents shipping point. Frozen 2-10 lb. -15% ground turkey 64, fresh scapula 109-113, fresh wing meat with skin 111-112, plant grade basted 20-22 lb. breasts 138, frozen whole breeder tenderloins 149 cents delivered domestic.

**FRIDAY, SEPTEMBER 24, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	44.00		44.00	80	44.00	160
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		W	34.00	40	34.00	40
MECHANICALLY SEPARATED 2/	17.00-19.00		18.24	272	18.04	324
THIGH MEAT - FROZEN	82.50		82.50	40	82.86	276

**THURSDAY, SEPTEMBER 23, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	44.00		44.00	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		W	34.00	40
MECHANICALLY SEPARATED 2/		W	17.00	52
THIGH MEAT - FROZEN		W	82.92	236

**WEDNESDAY, SEPTEMBER 22, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	44.00		44.00	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS	34.00		34.00	40
MECHANICALLY SEPARATED 2/	17.00		17.00	52
THIGH MEAT - FROZEN	82.50-85.00		82.92	236

**TUESDAY, SEPTEMBER 21, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	43.67	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 2/		F	18.00	80
THIGH MEAT - FROZEN		F	81.56	320

**MONDAY 20, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	43.67	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 2/		F	18.00	80
THIGH MEAT - FROZEN		F	81.56	320

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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